

## Addressing Illegal Gold Mining in the Western Hemisphere

New Approaches for U.S. Policy



By Julia Yansura and Isidoro Hazbun **AUGUST 2025** 

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### **About FACT**

Founded in 2011, the Financial Accountability and Corporate Transparency (FACT) Coalition is a non-partisan alliance of more than 100 state, national, and international organizations. Our mission is to promote policies to combat the harmful impacts of illicit finance on communities, global security, and the environment, and to campaign for a fair international tax system. The FACT Coalition's members include anti-corruption organizations, human rights watchdogs, labor unions, environment and climate groups, and more. To achieve our objectives, we also engage partners who are committed to combating these harms, including in law enforcement and the private sector.

In a globalized world, U.S. financial secrecy fuels global harms. Our work is motivated by the belief that addressing U.S. policy weaknesses will not only make our communities safer and more equitable, but also benefit our friends, neighbors, and allies around the world.

More information about the Coalition can be found on the FACT Coalition website at <a href="https://thefactcoalition.org/about-us/">https://thefactcoalition.org/about-us/</a>.



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### Introduction

Illegal gold mining constitutes an existential threat to ecosystems and communities in the Amazon region, where it contaminates water and food sources, contributes to illegal deforestation, threatens local livelihoods, and exposes communities to violence and human rights abuses.

Illegal gold mining is also one of the largest and fastest-growing illicit economies in the Western Hemisphere. In both Colombia and Peru, illegal gold is estimated to generate more money for organized crime than the drug trade itself, despite these being the largest coca-producing countries in the world. In Peru, illegal gold exports are estimated to be worth \$4.8 billion a year. In Venezuela, illegal gold mining generates an estimated \$2.2 billion annually, serving as a financial lifeline for a corrupt and authoritarian regime. In Ecuador, illegal gold proceeds may reach \$1 billion a year, according to government officials, and violent, organized crime groups like *Los Choneros* make an estimated \$1 million a month from illegal mining. As these staggering figures suggest, illegal gold mining is not only driving environmental devastation, but also funding organized crime and authoritarian regimes throughout the Western Hemisphere.

The effects of this illicit economy can also be felt in the United States. Illegally sourced gold linked to conflict and organized crime is arriving at our doorstep. Over the last three years, law enforcement officials at Miami International Airport estimate that they have encountered more than one ton of illicit gold.<sup>6</sup> Of course, the problem extends well beyond Miami. Time and time again, criminal groups are using gold to launder drug money,<sup>7</sup> evade sanctions,<sup>8</sup> finance enemy regimes,<sup>9</sup> and undermine U.S. laws.<sup>10</sup>

<sup>1</sup> Livia Wagner, "Organized Crime and Illegally Mined Gold in Latin America," March 2016, https://globalinitiative.net/analysis/organized-crime-and-illegally-mined-gold-in-latin-america/.

<sup>2</sup> Instituto Peruano de Economia, "El Perú exporta el 44% del oro ilegal de Sudamérica," May 2024, https://ipe.org.pe/el-peru-exporta-el-44-del-oro-ilegal-de-sudamerica/.

<sup>3</sup> U.S. Department of State, "Report to Congress on The State-Sponsored Extraction and Sale of Gold from Venezuela's Orinoco Mining Arc, and from National Reserves in Venezuela such as Canaima National Park," September 2024, https://2021-2025.state.gov/wp-content/uploads/2024/09/Report-2-Gold-Mining-006067-Accessible-8.19.2024.pdf.

<sup>4</sup> Mundo Minero, "*El potencial minero del Ecuador es de \$600 000 millones, si se logra explotar de forma responsable,*" March 2022, https://mundominero.com.ec/el-potencial-minero-del-ecuador-es-de-600-000-millones-si-se-logra-explotar-de-forma-responsable/.

<sup>5</sup> Diálogo Americas, "Ecuador: Organized Crime Increasingly Turns to Illegal Gold Mining," January 2024, <a href="https://dialogo-americas.com/articles/ecuador-organized-crime-increasingly-turns-to-illegal-gold-mining/">https://dialogo-americas.com/articles/ecuador-organized-crime-increasingly-turns-to-illegal-gold-mining/</a>.

<sup>6</sup> National Geographic, "To Catch a Smuggler: \$1.5M Drug Cartel Haul Found in Texas," August 2024, https://www.youtube.com/watch?v=qmXIY\_LDO4.

<sup>7</sup> Report by the United States Senate Caucus on International Narcotics Control (September 2022): see the case of the Mexican drug cartel (p. 73) operating in Los Angeles and Orange County and laundering drug proceeds through gold, <a href="https://www.grassley.senate.gov/imo/media/doc/strengthening\_useffortstoattackthefinancialnetworkofcartels.pdf">https://www.grassley.senate.gov/imo/media/doc/strengthening\_useffortstoattackthefinancialnetworkofcartels.pdf</a>.

<sup>8</sup> National Money Laundering Risk Assessment (February 2024)t: as an example, see the case on p. 80., <a href="https://home.treasury.gov/system/files/136/2024-National-Money-Laundering-Risk-Assessment.pdf">https://home.treasury.gov/system/files/136/2024-National-Money-Laundering-Risk-Assessment.pdf</a>.

<sup>9</sup> U.S. Government Accountability Office, "Venezuela: Illicit Financial Flows and U.S. Efforts to Disrupt Them," July 2023, <a href="https://www.gao.gov/products/gao-23-105668">https://www.gao.gov/products/gao-23-105668</a>.

<sup>10</sup> U.S. Government Accountability Office, "Trafficking and Money Laundering: Strategies Used by Criminal Groups and Terrorists and Federal Efforts to Combat Them," December 2021, https://www.gao.gov/assets/gao-22-104807.pdf.

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Fortunately, there are many opportunities for the U.S. to act. This policy brief begins by analyzing the current threats posed by illegal gold mining, gold trafficking, and associated money laundering. Drawing on examples from select South American countries – Colombia, Peru, Ecuador, and Venezuela – it makes the case that illegal gold mining has become a crisis too large for the United States to ignore. The policy brief concludes by presenting solutions that the United States should adopt to address the threats posed by illegal gold mining.

Criminal groups have an uncanny ability to calculate risks and rewards.

By making illegal gold mining, trafficking, and associated money laundering less profitable and more likely to result in serious consequences, the U.S. can play a powerful role in reducing the financial incentives driving this devastating criminal economy.



# The Current U.S. Response to Illegal Gold

In testimony before the U.S. Senate in 2019, a high-level official from the State Department's Bureau of International Narcotics and Law Enforcement Affairs ("INL") stated that "illegal gold mining presents a direct threat to U.S. national security interests." They continued: "Transnational criminal organizations (TCOs) use illegally mined gold to launder billions of dollars in revenue from other criminal activities through the United States, harming our legitimate businesses and exploiting our financial system for illicit gain."<sup>11</sup>

These views were echoed by then Senator and now Secretary of State Marco Rubio, who stated at the same hearing that "illegal gold mining's effects are not limited to the communities outside of the United States. They are, in fact, a direct threat to our interests." He noted, moreover, that, "criminal organizations that traffic in illicit gold, for example, operate right here in the United States."<sup>12</sup>

Recent law enforcement cases support this view as well. In early 2019, U.S. law enforcement seized \$40,000 in dirty gold linked to opioid trafficking on the darknet. That summer, authorities in Miami made a series of arrests as part of a money laundering investigation that they say involved illegal gold from Argentina disguised as buttons on clothing. Later that year, U.S. officials charged two Venezuelan nationals with smuggling \$5 million worth of gold bars hidden inside a private aircraft that landed at Fort Lauderdale Executive Airport. In 2024, U.S. authorities seized \$250,000 in unexplained gold bars from the trunk of a car in Texas. In early 2025, U.S. law enforcement seized \$3 million worth of gold jewelry as it entered the country via Los Angeles International Airport. In June 2025, the Department of Justice announced charges against three people for an elaborate transnational gold smuggling and money laundering scheme that allegedly involved \$24 million in wire transfers and the use of U.S. and Colombian front companies.

<sup>11</sup> U.S. Department of State, "*Illicit Mining: Threats to U.S. National Security and International Human Rights*," December 2019, https://2017-2021.state.gov/illicit-mining-threats-to-u-s-national-security-and-international-human-rights/

<sup>12</sup> Hearing before the Subcommittee on Western Hemisphere, Transnational Crime, Civilian Security, Democracy, Human Rights, and Global Women's Issues of the Committee on Foreign Relations, United States Senate, December 2019, <a href="https://www.govinfo.gov/content/pkg/CHRG-116shrg40426/html/CHRG-116shrg40426.htm">https://www.govinfo.gov/content/pkg/CHRG-116shrg40426.htm</a>.

<sup>13</sup> U.S. Immigration and Customs Enforcement, "*J-CODE announces 61 arrests in its second coordinated law enforcement operation targeting opioid trafficking on the darknet*," March 2019, <a href="https://www.ice.gov/news/releases/j-code-announces-61-arrests-its-second-coordinated-law-enforcement-operation">https://www.ice.gov/news/releases/j-code-announces-61-arrests-its-second-coordinated-law-enforcement-operation</a>.

<sup>14</sup> David Ovalle, Miami Herald, "Gold buttons, suspicious cash led investigators to Miami's famed Seybold jewelry market," August 2019, https://www.miamiherald.com/news/local/crime/article233634127.html.

<sup>15</sup> Nicholas Nehamas, Miami Herald, "Venezuelans arrested with \$5 million worth of smuggled gold at Broward airport, feds say," September 2019, <a href="https://www.miamiherald.com/news/local/article235417622.html">https://www.miamiherald.com/news/local/article235417622.html</a>.

<sup>16</sup> KXAN News, "Chinese nationals arrested in Texas, \$250k in gold bars seized after traffic stop," August 2024, <a href="https://www.kxan.com/news/chinese-nationals-arrested-in-texas-250k-in-gold-bars-seized-after-traffic-stop/">https://www.kxan.com/news/chinese-nationals-arrested-in-texas-250k-in-gold-bars-seized-after-traffic-stop/</a>.

<sup>17</sup> U.S. Immigration and Customs Enforcement, "HSI LAX special agents seize over \$3 million worth of gold jewelry," January 2025, https://www.ice.gov/news/releases/hsi-lax-special-agents-seize-over-3-million-worth-gold-jewelry.

<sup>18</sup> U.S. Department of Justice, U.S. Attorney's Office of the Southern District of Florida, "Three Indicted for Elaborate \$24 Million Transnational Gold Smuggling and Money Laundering Scheme," June 13, 2025, <a href="https://www.justice.gov/usao-sdfl/pr/three-indicted-24-million-transnational-gold-smuggling-and-money-laundering-scheme">https://www.justice.gov/usao-sdfl/pr/three-indicted-24-million-transnational-gold-smuggling-and-money-laundering-scheme</a>.

While there is no publicly available, official data showing U.S. law enforcement seizures of illicit gold at a national level, these cases suggest a relatively commonplace occurrence by which illegal gold reaches the United States, funds criminal organizations, and threatens the integrity of the U.S. financial system.

Unfortunately, the U.S. policy response to this threat leaves much to be desired. In a recent letter, a bipartisan group of U.S. senators noted that "it does not appear that the U.S. has a clearly articulated strategy for addressing illegal mining and its role as arguably the dominant source of financing for TCOs and other corrupt and criminal actors across the Western Hemisphere." <sup>19</sup>

While this criticism is fair, some efforts have been made in recent years. In 2020, the first Trump Administration created an inter-agency taskforce on illegal gold from Venezuela. The following year, the Financial Crimes Enforcement Network (FinCEN) published a 2021 advisory on environmental crimes, <sup>20</sup> alerting U.S. financial institutions to the risks of dirty money from environmental crime, including illegal mining. In 2023, a new unit was created within Homeland Security Investigations (HSI), a part of the Department of Homeland Security, to address environmental crimes. <sup>21</sup> Meanwhile, the U.S. sanctions program has occasionally designated individuals or entities involved in illegal gold mining or trafficking, <sup>22</sup> though there is no U.S. sanctions program specific to environmental crimes. In 2024, the U.S. Treasury launched the Amazon Region Initiative, which convened officials from the United States as well as countries in the Amazon region to combat illicit finance associated with environmental crimes such as illegal gold mining. <sup>23</sup> These policy developments, while positive steps forward, have nonetheless failed to keep pace with the rapidly growing and evolving threats posed by illegal gold mining in the Western Hemisphere. A larger, more cohesive strategy is needed.

### The unfortunate reality is that criminal groups are currently able to exploit a number of loopholes and gaps in the U.S. financial and trade systems.

To begin with, many of these cases involve the use of human couriers who travel via plane across international borders with suitcases full of gold. Unfortunately, current U.S. laws offer little in the way of protection against gold trafficking. In general, travelers can transport currency or monetary instruments in or out of the United States, but cash over \$10,000 must be declared, a requirement

<sup>19</sup> Senate Foreign Relations Committee, "Chair Cardin and Ranking Member Meeks Lead Bipartisan Group of Lawmakers in Demanding Action on Illegal Mining Fueling Crime and Environmental Destruction in Western Hemisphere," December 2024, <a href="https://www.foreign.senate.gov/press/dem/release/chair-cardin-andranking-member-meeks-lead-bipartisan-group-of-lawmakers-in-demanding-action-on-illegal-mining-fueling-crime-and-environmental-destruction-in-western-hemisphere.">https://www.foreign.senate.gov/press/dem/release/chair-cardin-andranking-member-meeks-lead-bipartisan-group-of-lawmakers-in-demanding-action-on-illegal-mining-fueling-crime-and-environmental-destruction-in-western-hemisphere.</a>

<sup>20</sup> FinCEN, "FinCEN Calls Attention to Environmental Crimes and Related Financial Activity", November 2021, https://www.fincen.gov/sites/default/files/2021-11/FinCEN%20Environmental%20Crimes%20Notice%20508%20FINAL.pdf.

<sup>21</sup> The National Intellectual Property Rights Coordination Center, "Wildlife Trafficking," December 2023, <a href="https://ipr2.iprcenter.gov/wildlife-trafficking/about">https://ipr2.iprcenter.gov/wildlife-trafficking/about</a>.

<sup>22</sup> U.S. Department of Treasury, "*Treasury Targets Corruption Network in Guyana*," June 2024, <a href="https://home.treasury.gov/news/press-releases/jy2401">https://home.treasury.gov/news/press-releases/jy2401</a>.

<sup>23</sup> Brenda Medina, International Consortium of Investigative Journalists, "*New US Treasury plan targets criminal groups profiting from the destruction of the Amazon*", August 2024, <a href="https://www.icij.org/investigations/deforestation-inc/new-us-treasury-plan-targets-criminal-groups-profiting-from-the-destruction-of-the-amazon/">https://www.icij.org/investigations/deforestation-inc/new-us-treasury-plan-targets-criminal-groups-profiting-from-the-destruction-of-the-amazon/</a>.

that is jointly implemented by U.S. Customs and Border Protection (CBP) and FinCEN.<sup>24</sup> However, this requirement does not apply to gold. As a result, "it is legal for a passenger to fly into the United States with, for example, 50 pounds of gold bullion, worth \$1 million at today's prices, without providing the same customs declaration information required when traveling with \$1 million in cash."<sup>25</sup> This creates a massive blindspot for U.S. law enforcement efforts.

There are also financial blindspots. Research by the FACT Coalition has found that, in cases of illegal gold mining in South America, shell and front companies are the single most common method used to move dirty gold and launder the proceeds.<sup>26</sup> FACT is not alone in making this connection. In a recent interview, Secretary of State Marco Rubio explained that transnational crime groups "set up their own companies, these shell companies, to hide their profits and be able to distribute the funds they have" including as part of larger strategies to access the banking system, establish business partnerships, and access space in U.S. warehouses.<sup>27</sup> In 2021, a bipartisan U.S. law was enacted with support from the first Trump Administration that sought to address these problems. The law requires companies doing business in the U.S. to report who really owns them, an anti-money laundering best practice often referred to as "beneficial ownership." The law, which was intended to "help prevent malign actors from leveraging anonymity (...) for criminal gain" and to "assist law enforcement in detecting and preventing illicit activity such as terrorist financing and money laundering,"28 was heralded as the most significant anti-money laundering reform in a generation.<sup>29</sup> Unfortunately, a March 2025 decision by the U.S. Treasury Department now excludes over 99 percent of the companies originally covered, effectively gutting the law. <sup>30</sup> For the time being, at least, U.S. shell companies remain a major vehicle that illicit actors use for a variety of crimes – including illegal gold trafficking and gold-related money laundering.

To further complicate matters, transnational illegal gold mining is not an underlying (or "predicate") offense for money laundering in the U.S., making it harder for U.S. prosecutors to secure convictions – and meaningful sentencing – in transnational gold trafficking cases. In 2022, for example, a leader

<sup>24</sup> U.S. Customs and Border Protection, "How much currency/monetary instruments can I bring into the United States?," May 2025, https://www.help.cbp.gov/s/article/Article-1393?language=en\_US.

<sup>25</sup> U.S. Department of State, "*Illicit Mining: Threats to U.S. National Security and International Human Rights*," December 2019, https://2017-2021.state.gov/illicit-mining-threats-to-u-s-national-security-and-international-human-rights/

<sup>26</sup> Julia Yansura, The FACT Coalition, "Money Laundering from Environmental Crime: Typologies and Trends in Countries in the Amazon Region," October 2024, https://thefactcoalition.org/report/money-laundering-from-environmental-crime-typologies-and-trends-in-countries-in-the-amazon-region/.

<sup>27</sup> Secretary Marco Rubio With Catherine Herridge of Catherine Herridge Reports, February 2025, <a href="https://www.state.gov/secretary-marco-rubio-with-catherine-herridge">https://www.state.gov/secretary-marco-rubio-with-catherine-herridge</a>.

<sup>28</sup> Executive Office of the President, "Statement of Administration Policy: H.R. 2513 – Corporate Transparency Act of 2019, as amended by Manager's Amendment," October 22, 2019, <a href="https://trumpwhitehouse.archives.gov/wp-content/uploads/2019/10/SAP\_HR-2513.pdf">https://trumpwhitehouse.archives.gov/wp-content/uploads/2019/10/SAP\_HR-2513.pdf</a>.

<sup>29</sup> Brian Monroe, "After overwhelmingly hurdling Congress, 'biggest AML reform in a generation,' breaker of beneficial owner-ship chains now in hands of President," Association of Certified Anti-Money Laundering Specialists (ACFCS), December 11, 2020, <a href="https://www.acfcs.org/after-overwhelmingly-hurdling-congress-biggest-aml-reform-in-a-generation-breaker-of-beneficial-owner-ship-chains-now-in-hands-of-president">https://www.acfcs.org/after-overwhelmingly-hurdling-congress-biggest-aml-reform-in-a-generation-breaker-of-beneficial-owner-ship-chains-now-in-hands-of-president</a>.

<sup>30 &</sup>quot;Treasury Reopens the Floodgates to Dirty Money in the U.S.," The FACT Coalition, March 3, 2025, <a href="https://thefactcoalition.org/treasury-reopens-the-floodgates-to-dirty-money-cta/">https://thefactcoalition.org/treasury-reopens-the-floodgates-to-dirty-money-cta/</a>.

in a \$140 million transnational illicit gold smuggling ring was sentenced to just 24 months.<sup>31</sup> Organized crime groups have increasingly turned to gold because it is perceived as low-risk, high-reward. In general, U.S. sentencing contributes to this perception.

With few tools to address gold smuggling, anonymous shell companies, or gold-related money laundering, it comes as no surprise that U.S. federal prosecutors secured just one conviction related to illegal gold from South America in the past three years<sup>32</sup> even as the illegal mining crisis ballooned. The unfortunate reality is that the United States does not currently have the tools and resources that it needs to effectively respond to the crisis posed by illegal gold mining and trafficking.

Adding to these challenges, gold is not always prioritized. Many efforts to prosecute transnational organized crime focus narrowly on narcotics trafficking, despite the growing evidence that the same groups are heavily engaged in environmental crimes such as illegal gold mining. This leaves U.S. investigators and prosecutors ill equipped and under-resourced in responding to the crisis of illegal gold mining.

Further complicating the matter, shifting U.S. priorities have dramatically reduced institutional capacity to respond to these crimes. In January 2025, top environmental crime prosecutors at the U.S. Department of Justice were reassigned to other priorities.<sup>33</sup> In May, the Department of Justice announced new guidance suggesting that it will prioritize those money laundering cases linked to drugs<sup>34</sup> – appearing to overlook the fact that illegal gold mining is currently the leading revenue source for drug trafficking organizations in South America. In April, the Wildlife and Environmental Crimes Unit at HSI – one of the leading government agencies working on illegal gold – underwent staffing reductions. In June, it was reported that the Department of Justice had significantly reduced its international affairs team – those who work with foreign countries to exchange vital information and build transnational cases pertaining to illegal gold mining and other crimes.<sup>35</sup> Meanwhile, layoffs at the U.S. State Department have reduced staffing to address environmental crimes, among other critically important issues.<sup>36</sup>

At the same time, cuts to international programming funded by the U.S. Agency for International Development (USAID), the State Department, and other government agencies have significantly im-

<sup>31</sup> U.S. Attorney's Office, Southern District of Florida, "CEO of South Florida Armored Transport Company Pleads Guilty To Committing Customs Fraud As Part of a Multimillion Dollar Dirty Gold Money Laundering Conspiracy," January 2022, https://www.justice.gov/usao-sdfl/pr/ceo-south-florida-armored-transport-company-pleads-guilty-committing-customs-fraud-part.

<sup>32</sup> Ibid

<sup>33</sup> Pamela King, E&E News, "DOJ environment section chiefs reassigned to work on immigration," January 2025, <a href="https://www.eenews.net/">https://www.eenews.net/</a> articles/doj-environment-section-chiefs-reassigned-to-work-on-immigration/.

<sup>34</sup> U.S. Department of Justice: Criminal Division, "Focus, Fairness, and Efficiency in the Fight Against White-Collar Crime," May 2025, https://www.justice.gov/criminal/media/1400046/dl?inline.

Suzanne Monyak & Justin Wise, Bloomberg Law, "Justice Department to Lose 4,500 Staffers to Buyout Offers (1)," June 2025, <a href="https://news.bloomberglaw.com/us-law-week/justice-department-to-lose-4-000-staffers-to-resignation-offers">https://news.bloomberglaw.com/us-law-week/justice-department-to-lose-4-000-staffers-to-resignation-offers</a>.

<sup>36</sup> Humeyra Pamuk, Reuters, "American Foreign Service Association urges State Dept to halt planned layoffs amid litigation," June 2025, https://www.reuters.com/legal/litigation/american-foreign-service-association-urges-state-dept-halt-planned-layoffs-amid-2025-06-25/.

pacted efforts to combat illegal gold mining.<sup>37</sup> In Peru, for example, U.S. programs to combat illegal gold mining and prosecute criminals involved in gold trafficking now face an extremely uncertain future as funding cuts are impacting efforts.<sup>38</sup> Unfortunately, criminal groups are poised to exploit weakness and fill these gaps, with devastating impacts that will be felt throughout the Western Hemisphere.

#### These vulnerabilities signal the need for a new policy approach.

U.S. policymakers need to act to close loopholes, strengthen financial oversight, and forge a unified interagency strategy to prevent illegal gold from undermining U.S. interests.



<sup>37</sup> Aimee Gabay, Mongabay, "Pause to USAID already having impacts on community conservation in the Amazon," February 2025, <a href="https://news.mongabay.com/2025/02/pause-to-usaid-already-having-impacts-on-community-conservation-in-the-amazon/">https://news.mongabay.com/2025/02/pause-to-usaid-already-having-impacts-on-community-conservation-in-the-amazon/</a>.

Howard LaFranchi, The Christian Science Monitor, "What USAID cuts mean for Peru as it battles cartels on coca, gold trade," April 2025, <a href="https://www.csmonitor.com/USA/Foreign-Policy/2025/0423/peru-usaid-drug-trafficking-gold-rubio">https://www.csmonitor.com/USA/Foreign-Policy/2025/0423/peru-usaid-drug-trafficking-gold-rubio</a>.

### Illegal Gold Mining in the Americas: A Regional Crisis

Illegal gold mining has seen rapid expansion in the Amazon, where it has grown by up to 18 percent annually in some areas.<sup>39</sup> Between 2017 and 2020, the rate of deforestation in the Brazilian Amazon caused by illegal mining increased by more than 90 percent.<sup>40; 41</sup> The impacts are particularly severe on Indigenous lands.<sup>42</sup> According to researchers, illegal mining on Indigenous lands in Brazil has increased by an astonishing 625 percent over the past decade.<sup>43</sup>

That much of this illegal mining represents new operations is particularly concerning. Almost 40 percent of artisanal and small-scale gold mining (ASGM) sites are less than five years old, and 62 percent of those on Indigenous lands emerged within the past five years.<sup>44</sup> The global demand for gold has exacerbated these challenges, increasingly driving miners into ecologically sensitive zones.<sup>45; 46</sup>

Beyond environmental harm, the spread of illegal gold mining is exacerbating public health crises. The strong association between illegal mining and malaria in the Amazon has been well-documented, with mining zones driving outbreaks by creating mosquito breeding grounds (open-pit excavation leaves stagnant water pools, ideal for mosquito breeding) and incentivizing migration into remote mining camps often disconnected from health systems.<sup>47</sup>

Adding to the crisis, illegal mining often involves the use of mercury, a highly toxic substance that

Juliana Siqueira-Gay and Luis E. Sánchez, "The Outbreak of Illegal Gold Mining in the Brazilian Amazon Boosts Deforestation," *Regional Environmental Change* 21, no. 2 (March 17, 2021): 28, https://doi.org/10.1007/s10113-021-01761-7.

<sup>40</sup> Illegal gold mining causes deforestation by removing large tracts of forest to access gold-rich sediments, often using heavy machinery and toxic chemicals. Unlike legal operations, these sites are rarely rehabilitated, leaving behind degraded land and polluted waterways.

<sup>41</sup> In the context of the Brazilian Legal Amazon, where total annual deforestation (from all drivers combined) is estimated to be approximately 1.3-1.4 million hectares (3.2 million acres), these 101.7 km² from illegal mining represent less than 1 percent of the overall forest loss. However, despite this small percentage of total deforestation, the rapid growth rate and its localized concentration near primary forests have significant detrimental effects (Tyukavina et al., 2017).

<sup>42</sup> Carlos Fabricio Assunção da Silva et al., "The Drivers of Illegal Mining on Indigenous Lands in the Brazilian Amazon," *The Extractive Industries and Society* 16 (December 1, 2023): 101354, https://doi.org/10.1016/j.exis.2023.101354.

<sup>43 &</sup>quot;MapBiomas Brasil," 2025, https://plataforma.amazonia.mapbiomas.org/cobertura.

<sup>44</sup> Luiz Cortinhas Ferreira Neto et al., "Uncontrolled Illegal Mining and Garimpo in the Brazilian Amazon," *Nature Communications* 15, no. 1 (November 13, 2024): 9847, https://doi.org/10.1038/s41467-024-54220-2.

<sup>45</sup> USGS. "Mineral Commodity Summaries: Gold." United States Geological Survey (USGS), 2025. <a href="https://www.usgs.gov/centers/nmic/gold-statistics-and-information">https://www.usgs.gov/centers/nmic/gold-statistics-and-information</a>.

ASGM has rapidly expanded since the early 2000s, fueled by rising global gold prices and declining rural livelihoods. As of 2025, gold surpassed \$3,000 per troy ounce, making ASGM an increasingly attractive livelihood across the Global South. Despite contributing approximately 20 percent of global gold supply—valued at \$46 billion annually—the sector remains largely informal, with 70–80 percent of operations lacking legal authorization. Between 15 and 20 million people are directly involved in ASGM, often working under exploitative or hazardous conditions, with women and children especially vulnerable to mercury exposure and toxic tailings (Adranyi, Stringer, & Altink, 2023; Hook, 2025; Karpati, 2023; World Gold Council, 2025).

<sup>47</sup> Pablo M. De Salazar et al., "Malaria Spillover in Indigenous Guyanese Communities Following a Crackdown on Illegal Gold Mining in Brazil," *The Lancet Regional Health – Americas* 42 (February 1, 2025), <a href="https://doi.org/10.1016/j.lana.2024.100969">https://doi.org/10.1016/j.lana.2024.100969</a>.

is used to extract gold. Mercury use is poisoning rivers, soils, and the food chain, threatening the health of Indigenous and riverside communities. People living in mining areas show mercury levels that are two to six times above safe limits, putting children and pregnant women at risk of severe neurological harm.<sup>48</sup> In Brazil, where informal mines account for 90 percent of gold production, over 2,000 tons of mercury have been released in recent decades.<sup>49</sup>

### Beyond its devastating impacts on communities and the environment, illegal gold mining is fueling organized crime.

As U.S. and international law enforcement intensified efforts against drug trafficking in the early 2000s, criminal groups pivoted toward gold mining, exploiting the weaker enforcement mechanisms and lower risks of disruption associated with the sector. The transition was so profitable that by 2016, the value of illegal gold exports from Colombia and Peru had surpassed that of cocaine exports, despite both countries remaining the world's largest cocaine producers.<sup>50</sup>

Today, gold is a strategic, "low-risk, high-reward" commodity in this evolving criminal landscape. Saturation in the cocaine market, plummeting coca prices, and competition from emerging producers like Ecuador have pushed organized criminal groups to deepen their hold on mining regions. These groups now control entire supply chains, taxing miners, securing transport routes, and even governing gold-rich territories as *de facto* authorities. What makes this shift particularly dangerous is the geography. For example, nearly 80 percent of Colombia's gold comes from transitional zones that double as key trafficking corridors, from Bajo Cauca and the Serranía de San Lucas to the Micay Canyon and the Telembí triangle.<sup>51</sup> Meanwhile, borderlands with Venezuela and Brazil have become flashpoints for cross-border smuggling and illicit flows.

Because this threat spans multiple countries and criminal networks, it cannot be solved by any single nation alone. Traffickers routinely exploit gaps in coordination, smuggling gold from one country to another to dodge law enforcement or mixing illicit gold into legal supply chains that cross borders. The patchwork of regulatory frameworks in the Americas offers opportunities for illicit actors to arbitrage differences and disguise the origins of illegal gold. This regional crisis therefore demands a coordinated policy response.

<sup>48</sup> Maria Elena Crespo-Lopez et al., "Mercury: What Can We Learn from the Amazon?," *Environment International* 146 (January 1, 2021): 106223, https://doi.org/10.1016/j.envint.2020.106223.

<sup>49</sup> Olaf Malm, "Gold Mining as a Source of Mercury Exposure in the Brazilian Amazon," *Environmental Research* 77, no. 2 (May 1, 1998): 73–78, https://doi.org/10.1006/enrs.1998.3828.

<sup>50</sup> Dominic Raab, World Gold Council, "Silence Is Golden A Report on the Exploitation of Artisanal Gold Miners to Fund War, Terrorism and Organised Crime," November 2024, https://www.gold.org/news-and-events/press-releases/new-report-uncovers-scale-exploitation-artisanal-gold-miners-fund.

<sup>51</sup> Jaime Arias. Externado University of Colombia, "*Minería ilegal de oro en Colombia y políticas públicas*," November 2024, <a href="https://www.uexternado.edu.co/revista-experto/mineria-ilegal-de-oro-en-colombia-y-politicas-publicas/">https://www.uexternado.edu.co/revista-experto/mineria-ilegal-de-oro-en-colombia-y-politicas-publicas/</a>.

#### Colombia

Among the most dominant actors in Colombia's illegal gold trade is the *Clan del Golfo*, a powerful criminal network that controls gold mining operations in the Darién region, leveraging the trade as both a revenue stream and a laundering mechanism. Following the 2016 peace agreement between the Colombian government and the Revolutionary Armed Forces of Colombia (FARC), the 57th Front of the FARC vacated strategic territories, creating a power vacuum that the *Clan del Golfo* quickly occupied. The group now enforces violent control over mining sites, regulates smuggling routes, and extorts miners, requiring payments in exchange for access to mining zones. Some workers, previously engaged in coca cultivation, were forcibly transitioned into gold mining, reflecting the fluid and adaptable nature of Colombia's criminal economies.<sup>52</sup>

The lucrative nature of illegal gold mining has made it an essential part of the *Clan del Golfo*'s financial structure, with profits surpassing those of the cocaine trade in some regions. Unlike narcotics, which require complex smuggling networks and constant risk of interdiction, gold can be laundered with relative ease, blending into the legal supply chain through the use of fraudulent documentation, shell companies, and complicit refineries. Evidence shows that some of these illicit profits are funneled into U.S. real estate and financial markets, taking advantage of opaque ownership structures.<sup>53</sup>

The true scope of Colombia's illegal gold trade is difficult to measure. According to the Colombian Association of Mining, the country exported 72 metric tons of gold in 2023, worth over \$2.5 billion. <sup>54</sup> Yet, the Colombian Association of Mining estimates that only 30 percent of Colombia's gold production is legal and subject to royalties and taxes, suggesting that the remaining 70 percent operates within an illegal or informal mineral extraction market. <sup>55</sup> A 2024 investigation by one of Colombia's leading newspapers found that 80 percent of Colombia's exported gold is of illegal origin, with significant amounts being laundered through free trade zones to obscure its illicit provenance. <sup>56</sup> Between 2016 and 2022, 72 metric tons of gold were exported to Colombia's own free trade zones, with at least 33 metric tons funneled through the Zona Franca Palmaseca near Cali. <sup>57</sup> Gold smuggling networks regularly exploit regulatory gaps in Colombia's mining and customs oversight. Once illicit gold enters the formal system, it is sold to international refiners, often disguised as legally sourced metal.

The U.S. plays a significant role in the Colombian gold trade as the largest export destination. In 2023, Colombia reported exporting \$3.4 billion in gold to international markets, according to data

<sup>52</sup> Daan van Uhm, "Organized Environmental Crime: Black Markets in Gold, Wildlife, and Timber" (Bloomsbury Academic & Professional, 2023), https://www.bloomsbury.com/us/organized-environmental-crime-9781440879609/.

<sup>53</sup> Maxwell Radwin, Mongabay, "How the U.S. Financial System Props up Illegal Logging and Mining," November 2023, <a href="https://news.mongabay.com/2023/11/how-the-u-s-financial-system-props-up-illegal-logging-and-mining/">https://news.mongabay.com/2023/11/how-the-u-s-financial-system-props-up-illegal-logging-and-mining/</a>.

<sup>54</sup> Josep Freixes, Colombia One, "Gold Exports Increase in Colombia Despite Illegal Mining," October 2024, <a href="https://colombiaone.com/2024/10/07/colombia-gold-exports/">https://colombiaone.com/2024/10/07/colombia-gold-exports/</a>.

<sup>55</sup> Colombian Mining Association, "Verdades sobre los aportes del sector minero a la economía del país," November 2020, <a href="https://ac-mineria.com.co/blog/verdades-sobre-los-aportes-del-sector-minero-a-la-economia-del-pais/">https://ac-mineria.com.co/blog/verdades-sobre-los-aportes-del-sector-minero-a-la-economia-del-pais/</a>.

Daniela Quintero Díaz, David Riaño Valencia, Sergio Silva Numa, and David Escobar Moreno, El Espectador, "*Zonas francas, otro punto ciego en la cadena de exportación del oro ilegal*," April 2024, <a href="https://www.elespectador.com/investigacion/zonas-francas-en-colombia-otro-punto-ciego-en-la-cadena-de-exportacion-del-oro-ilegal/">https://www.elespectador.com/investigacion/zonas-francas-en-colombia-otro-punto-ciego-en-la-cadena-de-exportacion-del-oro-ilegal/</a>.

<sup>57</sup> Ibid.

from the United Nations. The U.S. was the single largest purchaser, importing \$1.4 billion in Colombian gold.<sup>58</sup> In 2023 the U.S. imported US\$15.1 billion in gold, of which approximately 10 percent came from Colombia, the third largest supplier of gold to the U.S.<sup>59</sup>

This deep trade relationship gives the United States both influence and responsibility when it comes to addressing the challenges in Colombia's gold sector. Despite government crackdowns and efforts to formalize mining, enforcement remains uneven. Illegal operations often reappear or relocate, and many small-scale miners stay informal due to high costs, complex regulations, and insufficient support from government authorities. These conditions create space for criminal groups to thrive. U.S. support could play a critical role in helping Colombia close these gaps by supporting formalization efforts, increasing monitoring in remote regions, and strengthening cooperation on financial intelligence to track and disrupt illicit profits.

Buyers and sellers share responsibility within the international gold trade. It will be nearly impossible for Colombia to disrupt the cycle of illegal gold mining without engagement from the U.S., the primary purchaser of Colombian gold.



While Colombia's gold sector is heavily influenced by armed groups, Peru's illicit gold trade has been shaped by informality, weak governance, transnational smuggling networks, and institutional corruption, making enforcement efforts particularly difficult.

Peru has emerged as the epicenter of illegal gold mining in Latin America, accounting for an estimated 44 percent of the region's illicit gold trade, a significantly higher share than Colombia (25 percent) and Bolivia (12 percent). The rapid growth of illegal mining in Peru has been driven by skyrocketing gold prices, which have increased by 1100 percent since 2000, reaching over \$3500 per ounce in 2025. This has fueled an equivalent surge in illicit gold exports, which increased sevenfold between 2005 and 2023, reaching 77 metric tons in 2023, valued at an estimated \$4.83 billion. However, Peru's institutional fragility has exacerbated the crisis. Since 2021, 13 different Ministers of the Interior have cycled through office, disrupting enforcement efforts and allowing illegal mining networks to thrive unchecked. The expansion of illicit mining has also been facilitated by international smuggling operations, particularly the illegal trade of mercury from Bolivia, where regulatory oversight is weaker. In recent years, gold exports from Peru have increasingly flowed to India and the United Arab Emirates, where regulatory loopholes have allowed illicitly mined gold to enter global markets with minimal scrutiny.

<sup>58</sup> Official trade data as reported to UNCOMTRADE, pertaining to HS code 7108. See <a href="https://comtradeplus.un.org/TradeFlow?Frequency=A&Flows=X&CommodityCodes=7108&Partners=all&Reporters=170&period=2023&AggregateBy=none&BreakdownMode=plus.">https://comtradeplus.un.org/TradeFlow?Frequency=A&Flows=X&CommodityCodes=7108&Partners=all&Reporters=170&period=2023&AggregateBy=none&BreakdownMode=plus.</a>

<sup>59</sup> Ibid.

<sup>60</sup> Instituto Peruano de Economia, "*El Perú exporta el 44% del oro ilegal de Sudamérica*," May 2024, <a href="https://ipe.org.pe/el-peru-exporta-el-44-del-oro-ilegal-de-sudamerica/">https://ipe.org.pe/el-peru-exporta-el-44-del-oro-ilegal-de-sudamerica/</a>.

<sup>61</sup> Ibid.

<sup>62</sup> Ibid.

In Peru as well as regionally, shell companies play a major role in laundering illegal gold and the proceeds of its sale. According to a Peruvian government official, the majority of companies exporting Peruvian gold in a given year did not even exist the previous year, a major risk indicator in terms of illicit activity. <sup>63</sup> In fact, the Financial Action Task Force (FATF), in its 2021 report on environmental crime and money laundering, specifically highlights the risks associated with "recently created companies that register gold exports for significant amounts and noticeably brief periods of operations."

As with Colombia, the United States remains a major trading partner. According to United Nations trade data, Peru exported nearly \$1 billion in gold to the U.S. in 2023.<sup>65</sup>

Beyond the gold itself, evidence shows that profits from this trade are laundered through the U.S. financial system, where weak transparency laws and real estate loopholes have made it easy to hide dirty money.<sup>66</sup>

For U.S. policymakers, Peru's experience signals a need for longer-term engagement and capacity-building. Gaps in monitoring can be filled with U.S. assistance: for example, deploying satellite surveillance and intelligence-sharing to detect illegal mining in real time, or helping Peru improve prosecutorial follow-through so that kingpins and financiers face justice. The spread of illicit mining to nearly every corner of Peru also points to the need for legal and economic measures, from supporting alternative livelihoods for mining communities to tightening controls on the chemicals and machinery used in illicit operations.

### Venezuela

In Venezuela, the illicit gold trade has become a lifeline for Nicolás Maduro's authoritarian regime, merging state corruption with transnational organized crime. Following the collapse of its oil economy and the onset of U.S. sanctions, the Venezuelan government formalized illegal mining in 2016 through the creation of the Orinoco Mining Arc, a 111,000-square-kilometer zone established by executive decree. While ostensibly designed to attract foreign investment, the Arc instead enabled rampant illegal extraction, controlled by military elites, Colombian guerrillas, and megagangs like the *Tren de Aragua*.<sup>67</sup>

<sup>63</sup> Presentation by Peruvian government official, August 2024.

<sup>64</sup> FATF, p.54, "Money Laundering from Environmental Crimes," July 2021, <a href="https://www.fatf-gafi.org/content/dam/fatf-gafi/reports/Money-Laundering-from-Environmental-Crime.pdf.coredownload.pdf">https://www.fatf-gafi.org/content/dam/fatf-gafi/reports/Money-Laundering-from-Environmental-Crime.pdf.coredownload.pdf</a>.

Official Peruvian trade data as reported to UNCOMTRADE, pertaining to commodity code 7108. For more detail, see <a href="https://comtradeplus.un.org/TradeFlow?Frequency=A&Flows=X&CommodityCodes=TOTAL&Partners=0&Reporters=all&period=2024&Aggregate-By=none&BreakdownMode=plus">https://comtradeplus.un.org/TradeFlow?Frequency=A&Flows=X&CommodityCodes=TOTAL&Partners=0&Reporters=all&period=2024&Aggregate-By=none&BreakdownMode=plus</a>.

<sup>66</sup> Jonathan Watts, The Guardian, "Environmental Crime Money Easy to Stash in U.S. Due to Loopholes, Report Finds," October 2023 <a href="https://www.theguardian.com/environment/2023/oct/26/environmental-money-easy-to-stash-in-us-due-to-loopholes-report-finds">https://www.theguardian.com/environment/2023/oct/26/environmental-money-easy-to-stash-in-us-due-to-loopholes-report-finds</a>.

<sup>67</sup> U.S. Department of State, "Report to Congress on The State-Sponsored Extraction and Sale of Gold from Venezuela's Orinoco Mining Arc, and from National Reserves in Venezuela Such as Canaima National Park," September 2024, https://www.state.gov/wp-content/up-loads/2024/09/Report-2-Gold-Mining-006067-Accessible-8.19.2024.pdf.

An estimated 86–91 percent of Venezuela's gold is produced illegally—often controlled by military elites, guerrilla groups, and transnational gangs—and up to 70 percent of this output, which was valued at over \$4.4 billion in 2021, is smuggled and laundered abroad through shell companies and opaque supply chains.<sup>68</sup> Much of this gold is trafficked through complex transnational networks designed to bypass U.S. sanctions and exploit loopholes, allowing illicit profits to circulate through dollar-based transactions and even reach U.S. markets via refineries or shell companies.<sup>69</sup>

Documented cases show how private aircraft and island-hopping smuggling routes help move this gold beyond the reach of customs oversight. In 2019, U.S. authorities in Fort Lauderdale seized an estimated \$5 million worth of undeclared Venezuelan gold hidden in a private jet arriving from Caracas. I Just weeks later, a separate case emerged in Sint Maarten, where authorities at Princess Juliana Airport seized a significant quantity of Venezuelan gold bars from a private aircraft arriving from the mainland. That same year, the Cayman Islands intercepted a private plane carrying cash connected to a shipment of 230 pounds of gold that was later seized in London, apparently en route to Swiss refineries on behalf of a suspected cartel. In a new twist, an April 2025 investigation revealed that Brazilian gold is being smuggled into Venezuela via a network using aircraft and informal border crossings. These are just a few concrete examples of a broader laundering system that exploits weak enforcement, private aircraft, and opaque supply chains to move Venezuelan gold into global markets.

Compounding this crisis is the *Tren de Aragua*. Originally a prison gang, it now operates as a *de facto* authority in mining hubs. Investigative reports reveal that the group extracts 30–50 kilograms of gold daily (worth \$1.7–\$2.8 million), imposing a parallel governance system that regulates prices, "taxes" businesses, and controls access to mines.<sup>74</sup> Indigenous communities in areas under their control face forced labor, mercury poisoning, and sexual exploitation, while armed groups levy "taxes" on miners and execute dissenters. The environmental devastation from these activities is catastrophic: over 1,000 square miles of the Amazon have been deforested, and 90 percent of freshwater

<sup>68</sup> OECD, "Gold flows from Venezuela: supporting due diligence on the production and trade of gold," September 2021, https://digitalcommons.fiu.edu/srhreports/environmental-security/environmental-security/92/. | Livia Wagner, Global Initiative, "Organized Crime and Illegally Mined Gold in Latin America," March 2016, https://globalinitiative.net/analysis/organized-crime-and-illegally-mined-gold-in-latin-america/.

<sup>69</sup> Camilo Pardo-Herrera, The Terrorism, Transnational Crime and Corruption Center. George Mason University, March 2023, "Illegal Trade in Gold from Peru and Colombia. Understanding the Dynamics, Routes, and U.S. Linkages," <a href="https://traccc.gmu.edu/wp-content/up-loads/2023/03/GOLD-REPORT-FFFV.pdf">https://traccc.gmu.edu/wp-content/up-loads/2023/03/GOLD-REPORT-FFFV.pdf</a>.

<sup>70</sup> WPLG Local 10 News, "Venezuelans smuggle \$5 million worth of gold in nose of plane, feds say," September 2019, <a href="https://www.local10.com/2019/09/24/venezuelans-smuggle-5-million-worth-of-gold-in-nose-of-plane-feds-say/">https://www.local10.com/2019/09/24/venezuelans-smuggle-5-million-worth-of-gold-in-nose-of-plane-feds-say/</a>.

<sup>71</sup> France 24, "Venezuelans accused of smuggling \$5 mn in gold into US," September 2019, https://www.france24.com/en/20190924-venezuelans-accused-of-smuggling-5-mn-in-gold-into-us.

<sup>72</sup> Cayman Compass. "Cayman leading multinational gold smuggling inquiry". https://www.caymancompass.com/2019/07/23/cayman-leading-multinational-gold-smuggling-inquiry/. July 23, 2019.

Fernanda Wenzel, "Amazon illegal miners bypass enforcement by smuggling gold into Venezuela." <a href="https://news.mongabay.com/2025/04/amazon-illegal-miners-bypass-enforcement-by-smuggling-gold-into-venezuela/">https://news.mongabay.com/2025/04/amazon-illegal-miners-bypass-enforcement-by-smuggling-gold-into-venezuela/</a>. April 22, 2025.

<sup>74</sup> Ronna Rísquez. "Gold, Drugs and Violence: The Aragua Train Venezuela's Mining Arc," *In.Visibles* (blog), October 3, 2023, <a href="https://invisibles.info/en/gold-drugs-and-violence-the-aragua-train-venezuelas-mining-arc/">https://invisibles.info/en/gold-drugs-and-violence-the-aragua-train-venezuelas-mining-arc/</a>.

sources are contaminated by mercury.<sup>75</sup> Unlike Colombia and Peru, where non-state armed actors dominate, Venezuela's gold economy is orchestrated by a symbiotic network of political elites, military officials, and transnational criminals, rendering it both a humanitarian crisis and a geopolitical tool for evading sanctions.<sup>76</sup>

U.S. authorities have expressed concerns about Venezuelan gold entering international markets through opaque supply chains, exploiting weak due diligence measures, and potentially infiltrating the U.S. financial system.<sup>77</sup> Illicit gold flows from Venezuela pose serious risks of corruption, conflict financing, money laundering, and sanctions evasion.<sup>78</sup> Venezuela's case highlights a set of policy challenges that demand an international response. For one, the regime's ability to monetize illegal gold despite sanctions points to financial secrecy and enforcement loopholes, such as lack of ownership transparency ("beneficial ownership," to use the technical term). Gold from Venezuela often finds its way to refineries and dealers in third countries under false origins, which suggests that U.S. and allied governments must tighten verification in gold supply chains and sanction evaders more aggressively. The lack of transparency in trading hubs and limited coordination among nations allows Venezuelan gold to be laundered; closing these gaps will feature in the policy options outlined below. The gravity of Venezuela's situation calls for bold solutions in closing off illicit gold pathways.



In Ecuador, illegal gold mining has escalated into a full-blown crisis. Criminal gangs, such as Los Lobos and other groups, have infiltrated remote mining areas, deploying heavy machinery that clears vast swaths of rainforest and contaminates rivers with toxic mercury. Investigative reports have revealed that fraudulent permits and lax regulatory oversight allow these operations to flourish, often at the expense of legitimate small-scale miners. The rapid expansion of illegal mining has led to significant deforestation, water pollution, and irreversible habitat destruction, while Indigenous groups such as the Cofán, Kichwa, and Shuar face forced displacement, severe health risks from mercury poisoning, and escalating violence. La Ecuador's illegal gold trade continues to surge

U.S. Department of State, "Report to Congress on The State-Sponsored Extraction and Sale of Gold from Venezuela's Orinoco Mining Arc, and from National Reserves in Venezuela Such as Canaima National Park," <a href="https://www.state.gov/wp-content/uploads/2024/09/Report-2-Gold-Mining-006067-Accessible-8.19.2024.pdf">https://www.state.gov/wp-content/uploads/2024/09/Report-2-Gold-Mining-006067-Accessible-8.19.2024.pdf</a>.

<sup>76</sup> Vasco Cotovio, Isa Soares and William Bonnett, CNN, "A trail of 'bloody gold' leads to Venezuela's government," August 2019, <a href="https://www.cnn.com/2019/08/20/americas/venezuela-gold-mining-intl">https://www.cnn.com/2019/08/20/americas/venezuela-gold-mining-intl</a>.

<sup>77</sup> GAO-23-105668, U.S. Government Accountability Office, "Venezuela: Illicit Financial Flows and U.S. Efforts to Disrupt Them," July 2023, https://www.gao.gov/products/gao-23-105668.

<sup>78 &</sup>quot;Illicit Gold Flow - How the Gold Trade Can Be Used to Evade Sanctions," Global Compliance Institute, accessed April 3, 2025, https://www.gci-ccm.org/insight/2022/09/illicit-gold-flow-how-gold-trade-can-be-used-evade-sanctions

<sup>79</sup> Arturo Torres and Dan Collyns, "Ecuador's Los Lobos Narcotrafficking Gang Muscles in on Illegal Gold Mining," Mongabay Environmental News, May 28, 2024, <a href="https://news.mongabay.com/2024/05/ecuadors-los-lobos-narcotrafficking-gang-muscles-in-on-illegal-gold-mining/">https://news.mongabay.com/2024/05/ecuadors-los-lobos-narcotrafficking-gang-muscles-in-on-illegal-gold-mining/</a>.

<sup>80</sup> Mercedes Onofa, "Organized Crime's Illegal Mining Destroys Large Areas of Ecuador," *Diálogo Américas* (blog), March 24, 2022, <a href="https://dialogo-americas.com/articles/organized-crimes-illegal-mining-destroys-large-areas-of-ecuador/">https://dialogo-americas.com/articles/organized-crimes-illegal-mining-destroys-large-areas-of-ecuador/</a>; Arturo Torres and Dan Collyns, "In Ecuador, Booming Profits in Small-Scale Gold Mining Reveal a Tainted Industry – Investigation," Mongabay Environmental News, October 3, 2024, <a href="https://news.mongabay.com/2024/10/in-ecuador-booming-profits-in-small-scale-gold-mining-reveal-a-taint-ed-industry-investigation/">https://news.mongabay.com/2024/10/in-ecuador-booming-profits-in-small-scale-gold-mining-reveal-a-taint-ed-industry-investigation/</a>.

<sup>81</sup> Victoria Heath, "Ecuador's Amazon under Siege by Illegal Mining & Crime, Report Finds," Geographical, September 14, 2024, https://geographical.co.uk/news/ecuadors-amazon-under-siege-by-illegal-mining-crime-report-finds.

amid soaring international gold prices, the intertwined challenges of environmental degradation, organized crime, and Indigenous rights violations demand urgent national and international action.

As of 2023, the United States was the second-largest importer of Ecuadorian gold in the world. 82 Beyond the gold itself, recent cases show that the proceeds of this illicit economy have ended up in the U.S., where they have been laundered through front and shell companies. 83 In one case, an investigation by the Miami Herald found that a Florida company "appeared in a criminal complaint (...) as a front, or intermediary, company," apparently helping to import and resell illegally sourced Ecuadorian gold to U.S. markets. 84

The issues with Ecuadorian gold extend well beyond gold bars ("doré"). Another area of concern pertains to shipments of gold sand, typically known as gold concentrate, that are exported via maritime ports to China. In 2021, the dollar value of exports of gold concentrate from Ecuador surpassed that of gold bars.<sup>85</sup> Gold concentrate may present unique illicit trade and illicit finance risks because its pricing varies considerably based on the percentage of gold it contains (which can be difficult for law enforcement to determine). Moreover, it is exported via the maritime port of Guayaquil, currently the epicenter of an "explosion of gang-related violence." Recent reporting by investigative journalists has highlighted cases in which drug trafficking organizations appear to launder drug proceeds through gold mines that are exporting gold concentrate to China. Because gold concentrate is an emerging issue, there are virtually no publicly available, in-depth studies assessing the risks.

As a relatively new front in the illegal gold trade, Ecuador still has the opportunity to contain the problem before it reaches the levels seen in neighboring countries. Yet institutional and oversight weaknesses are apparent. This is where U.S. engagement could make a key difference. The problems identified in Ecuador point to the need for several types of U.S. support: intelligence and law enforcement cooperation to help dismantle mafias, technical assistance to strengthen regulatory frameworks, and perhaps new agreements to coordinate efforts. The fact that Ecuador moved proactively to label illegal mining as a national security threat is a signal that U.S. engagement would be welcome and timely. It also subtly foreshadows a recommendation: to capitalize on Ecuador's call for help by providing the necessary tools and training before illegal gold networks become deeply entrenched.

<sup>82</sup> Official trade data as reported to UNCOMTRADE, as pertaining to commodity code 7108. Data as reported by Ecuadorian customs upon export. For more detail see <a href="https://comtradeplus.un.org/TradeFlow?Frequency=A&Flows=X&CommodityCodes=7108&Part-ners=all&Reporters=170&period=2023&AggregateBy=none&BreakdownMode=plus.">https://comtradeplus.un.org/TradeFlow?Frequency=A&Flows=X&CommodityCodes=7108&Part-ners=all&Reporters=170&period=2023&AggregateBy=none&BreakdownMode=plus.</a>

<sup>83</sup> See: https://thefactcoalition.org/wp-content/uploads/2024/10/Enviro-Crime-Typologies.pdf.

<sup>84</sup> Jay Weaver and Nicholas Nehamas, "He made big bucks off Ovaltine and fancy furniture. Was he 'duped' into dealing dirty gold?" The Miami Herald, 18 January 2018, <a href="https://www.miamiherald.com/news/local/community/miami-dade/article194188324.html">https://www.miamiherald.com/news/local/community/miami-dade/article194188324.html</a>.

<sup>85</sup> Official trade data data as reported to UNCOMTRADE, as pertaining to commodity codes 7108 and 261690. For more detail see <a href="https://comtradeplus.un.org/TradeFlow?Frequency=A&Flows=X&CommodityCodes=7108&Partners=0&Reporters=all&period=2024&-AggregateBy=none&BreakdownMode=plus">https://comtradeplus.un.org/TradeFlow?Frequency=A&Flows=X&CommodityCodes=7108&Partners=0&Reporters=all&period=2024&-AggregateBy=none&BreakdownMode=plus</a>.

<sup>86</sup> Emilie Sweigart, Rich Brown, and Michael Rendón Vera, Americas Quarterly, "Five Keys to Better Port Security in Latin America," April 2024, https://www.americasquarterly.org/article/five-keys-to-better-port-security-in-latin-america/.

<sup>87</sup> Arturo Torres, CódigoVidrio – OjoPúblico, "La minera Goldenminerals es el eslabón que revela cómo operan las narcomafias del oro en Ecuador," February 2025, https://www.codigovidrio.com/code/la-minera-goldenminerals-es-el-eslabon-que-revela-como-operan-las-narcomafias-del-oro-en-ecuador/.

### U.S. Policy Solutions

The United States faces considerable threats from illegal gold, both direct and indirect. Illegal gold trafficking enables drug traffickers and other bad actors to finance operations that harm Americans at a time when drug overdoses are a leading cause of death in the U.S. Moreover, the laundering of gold proceeds threatens the integrity of the U.S. financial system and represents a glaring loophole in the U.S. anti-money laundering and counter terrorism financing (AML/CFT) framework. Meanwhile, illegal gold mining undermines regional security within the Western Hemisphere and empowers bad actors including criminal gangs, foreign terrorist organizations, and authoritarian regimes.

The preceding sections have shown how illegal gold mining has become one of the Western Hemisphere's most powerful and destabilizing criminal economies. From Colombia's violent extraction corridors to Venezuela's kleptocratic smuggling networks and Ecuador's narcotics-related gold trade, this illicit trade now reaches deep into U.S. ports, financial institutions, and real estate markets.

Yet with that exposure comes leverage.

As both a major destination for laundered gold and a central node in global finance, the United States holds powerful tools to disrupt these networks.

By tightening oversight, closing legal loopholes, and restoring enforcement capacity, the U.S. can shift the cost-benefit calculus for criminal actors. The following recommendations translate these threats into concrete policy solutions. These recommendations are not meant to replace vitally important, in-country efforts by the governments of Colombia, Ecuador and Peru. Rather, they are meant to complement and bolster these efforts.

#### Recommendations for U.S. Congress

- 1. Pass the United States Legal Gold and Mining Partnership Act. A new bill introduced by Senators Cornyn and Kaine would establish and implement a multi-year strategy to reduce the negative environmental and social impacts of illicit gold mining in the Western Hemisphere. 

  While not a panacea, the bill is an important step in bringing together stakeholders, collecting information, and developing a long-term, bipartisan U.S. strategy to tackle this complex problem.
- 2. Make illegal gold mining a predicate offense for money laundering. Congress should amend the list of "specified unlawful activities" that constitute underlying offenses for money

<sup>88</sup> CDC, "CDC Reports Nearly 24% Decline in U.S. Drug Overdose Deaths," February 2025, https://www.cdc.gov/media/releases/2025/2025-cdc-reports-decline-in-us-drug-overdose-deaths.html.

<sup>89</sup> S.799 - United States Legal Gold and Mining Partnership Act, 119th Congress (2025-2026), <a href="https://www.congress.gov/bill/119th-congress/senate-bill/799/text">https://www.congress.gov/bill/119th-congress/senate-bill/799/text</a>.

laundering. Currently, only a handful of transnational environmental crimes are included, such as wildlife trafficking. Adding illegal gold mining to the list would provide a meaningful tool for U.S. prosecutors working on illegal gold cases, helping them to pursue the illicit proceeds from this crime. Moreover, because money laundering charges tend to carry longer sentences, this could have an important deterrent effect, changing the "low risk, high reward" calculus that is associated with illegal gold mining.

- 3. Amend cross-border currency reporting requirements at the \$10,000 threshold to include gold. Amending these requirements to include gold would be extremely impactful, since one of the methods of transporting illicit gold is through the use of human couriers flying into U.S. airports carrying undeclared gold bars.
- 4. Ensure that government agencies working to combat illicit gold have the resources they need. Congress should appropriate the necessary funds to the U.S. Department of Justice's Environment and Natural Resources Division, the HSI Wildlife and Environmental Crime Unit, the State Department's INL Bureau, and the Department of Treasury so that these offices have sufficient human and technological resources to pursue illicit gold investigations and implement overdue safeguards.
- **5. Monitor gold shipments through maritime ports.** As discussed, there is growing evidence connecting Latin American drug trafficking organizations, maritime gold shipments, and China. <sup>91</sup> This new modality of gold trafficking and narcotics-related money laundering takes advantage of weak institutional oversight and high levels of corruption at some Latin American ports. The full extent of the risks associated with this modality are not yet known. Congress should call on the U.S. State Department in consultation with the Department of Homeland Security to produce a report looking at the security risks associated with maritime gold exports and transnational organized crime.
- 6. Require the Federal Aviation Administration (FAA) to register aircraft ownership as a means to prevent abuse by gold traffickers and other criminals. Because illegal gold mining often takes place in remote areas, private aircraft are frequently used to extract the gold. As previously discussed, there are numerous cases in which private aircraft under murky and opaque ownership have been used to transport Venezuelan gold. The problem extends to other countries in the region as well. In Brazil, hundreds of clandestine airstrips fuel the illegal mining industry, according to an investigation by the *New York Times*. 92 Private aircraft are also extensively used in money laundering. A recent alert by FinCEN notes that the "use of private aircraft by TCOs to smuggle bulk cash is an increasing trend whereby TCOs establish shell companies to

<sup>90 18</sup> U.S. Code § 1956 - Laundering of monetary instruments, <a href="https://www.law.cornell.edu/definitions/uscode">https://www.law.cornell.edu/definitions/uscode</a>, <a href="https://www.law.cornell.edu/definitions/uscode">php?width=840&height=800&iframe=true&def\_id=18-USC-555590347-153090720&term\_occur=999&term\_src=title</a>:18:part:I:chapter:95:section:1956.

<sup>91</sup> CódigoVidrio – OjoPúblico, "*El eslabón que revela cómo el narcotráfico lava su dinero con el oro en Ecuador*," February 2025, <a href="https://ojo-publico.com/5501/narcomineria-la-historia-como-se-lava-dinero-las-drogas-oro">https://ojo-publico.com/5501/narcomineria-la-historia-como-se-lava-dinero-las-drogas-oro</a>.

<sup>92</sup> Manuela Andreoni, Blacki Migliozzi, Pablo Robles and Denise Lu, The New York Times, "*The Illegal Airstrips Bringing Toxic Mining to Brazil's Indigenous Land*," April 2022, <a href="https://www.nytimes.com/interactive/2022/08/02/world/americas/brazil-airstrips-illegal-mining.html">https://www.nytimes.com/interactive/2022/08/02/world/americas/brazil-airstrips-illegal-mining.html</a>.

purchase and register aircraft to circumvent certain U.S. aviation regulations."<sup>93</sup> Currently, the U.S. FAA registry includes approximately 80,000 planes registered to LLCs and 13,000 registered in the name of trusts,<sup>94</sup> making it virtually impossible to ascertain their real owners. Congress should require the FAA to collect data on the real, or "beneficial" owners of all private aircraft and ensure that such data is available to law enforcement agencies as a means to combat illegal gold trafficking from Venezuela, Brazil, and other countries.

#### Recommendations for the Executive Branch

- 7. Ensure timely, robust implementation of the Corporate Transparency Act (CTA). A has been discussed, a significant portion of illegally sourced gold is exported and imported via formal companies. Unfortunately, bad actors take advantage of the anonymity that limited liability companies (LLCs) provide, hiding their real names behind opaque business registration. Research by the FACT Coalition has found that, in cases of illegal gold mining in South America, shell and front companies were the single most common method used to move dirty gold and then launder the proceeds. Given these connections, the U.S. Administration should re-commit to full implementation of the CTA, a bipartisan U.S. law that would require collection of basic information about the real owners of companies, as a national security measure.
- 8. The U.S. State Department, in partnership with the Treasury Department, should create a new sanctions program to address illegal gold mining and other environmental crimes. Current sanctions programs focus on drug trafficking organizations, corruption, and other country-specific programs, but do not directly cover environmental crimes such as illegal gold mining. This is a major omission considering that environmental crimes are now a top revenue source for transnational organized crime groups.
- 9. The Department of Justice, in partnership with HSI and other relevant stakeholders, should step up enforcement and prosecution efforts against transnational criminal networks involved in the illicit gold trade. The last major U.S. case involving illegal gold mining and trafficking was in 2022. 98 Yet each year, criminal groups are making billions of dollars in profits unchecked, all the while harming local communities and damaging our shared natural resources. Prioritizing illegal gold and adequately resourcing prosecution efforts can help to shift the balance of power back towards the rule of law.

<sup>93</sup> FinCen Alert, FIN-2025-Alert001, FinCEN Alert on Bulk Cash Smuggling and Repatriation by Mexico-Based Transnational Criminal Organizations, March 2025 <a href="https://www.fincen.gov/sites/default/files/shared/BCS-Alert-FINAL-508C.pdf">https://www.fincen.gov/sites/default/files/shared/BCS-Alert-FINAL-508C.pdf</a>.

<sup>94</sup> Aircraft Registration, Releasable Aircraft Database Download, <a href="https://www.faa.gov/licenses\_certificates/aircraft\_certification/aircraft\_registry/releasable\_aircraft\_download">https://www.faa.gov/licenses\_certificates/aircraft\_certification/aircraft\_registry/releasable\_aircraft\_download</a>.

<sup>95</sup> Julia Yansura, The FACT Coalition, "Money Laundering from Environmental Crime: Typologies and Trends in Countries in the Amazon Region," October 2024, https://thefactcoalition.org/report/money-laundering-from-environmental-crime-typologies-and-trends-in-countries-in-the-amazon-region/.

<sup>96</sup> Julia Yansura, The FACT Coalition, "Environmental Crimes Pose Unique Illicit Finance Challenges and Require Specific Solutions," August 2024, https://thefactcoalition.org/wp-content/uploads/2024/08/Environmental-Crimes-Policy-Brief-FACT-ENG.pdf.

<sup>97</sup> For more discussion of the use of sanctions, see Justyna Gudzowska and Laura Ferris, "The War on Trees," *Foreign Affairs*, June 2, 2025, <a href="https://www.foreignaffairs.com/united-states/war-trees">https://www.foreignaffairs.com/united-states/war-trees</a>.

<sup>98</sup> U.S. Attorney's Office, Southern District of Florida, <a href="https://www.justice.gov/usao-sdfl/pr/ceo-south-florida-armored-transport-company-pleads-guilty-committing-customs-fraud-part">https://www.justice.gov/usao-sdfl/pr/ceo-south-florida-armored-transport-company-pleads-guilty-committing-customs-fraud-part</a>.

- 10. Ensure that current efforts to address transnational organized crime address illicit finance and environmental crimes. Combating transnational organized crime is a stated priority of the current U.S. Administration. 99 Yet efforts will fall flat if they fail to account for one of the major income streams financing these criminal groups and enabling them to launder money with ease. Current efforts should address environmental crime within this larger security agenda.
- 11. Strengthen international information-sharing and increase efficiency within the Mutual Legal Assistance Treaty ("MLAT") system. Congress and the Administration should ensure that the U.S. Department of Justice has adequate staffing and other resources to ensure robust and efficient international data exchange. A 2024 report by the Organization of American States found that "it was difficult for the (Department of Justice) Office of International Affairs to meet its internal deadlines to respond to requests, given that they are understaffed," and had a backlog of 13,000 incoming information requests from other countries. <sup>100</sup> With funding and staffing cuts to U.S. agencies, this situation will further deteriorate unless action is taken. The ability to exchange information with other countries is critically important to larger efforts to take down transnational criminal organizations involved in illegal gold mining.
- 12. Resume funding for international projects related to combating illegal gold mining. Secretary of State Marco Rubio has stated that, going forward, foreign assistance should make the U.S. stronger, safer or more prosperous.<sup>101</sup> Efforts to combat illicit gold will make the U.S. safer and will contribute to stability within the Western Hemisphere, a key U.S. interest.
- 13. The U.S. Treasury should strengthen due diligence requirements for the U.S. Mint, a major purchaser of gold. A 2024 audit found that the Mint cannot currently ensure that gold is purchased in accordance with U.S. law.<sup>102</sup> The audit notes that "despite purchasing over half a billion dollars of gold annually, the Mint has limited engagement" with suppliers and refineries, relying largely on external standards such as those by the London Bullion Market Association.<sup>103</sup> The Mint relies on approved refineries located in the U.S., Canada, England, and France to meet its annual procurement needs. However, a 2024 audit confirmed that it does not currently track

<sup>99</sup> U.S. Department of Justice, Office of the Attorney General, "Memorandum: Total Elimination of Cartels and Transnational Criminal Organizations," February 2025, https://www.justice.gov/ag/media/1388546/dl?inline.

OAS (MESICIC). Mechanism for Follow-Up on the Implementation of the Inter-American Convention Against Corruption: United States of America, Final Report (adopted at the March 14, 2024 plenary session of the 41st Meeting of the Committee of Experts, Washington, D.C.). OEA/Ser.L. SG/MESICIC/doc.652/23 rev.4, March 11-14 2024, <a href="http://www.oas.org/en/sla/dlc/mesicic/docs/41mesic-ic\_usa\_rev4.pdf">http://www.oas.org/en/sla/dlc/mesicic/docs/41mesic-ic\_usa\_rev4.pdf</a>.

<sup>101</sup> U.S. Department of State. "*Priorities and Mission of the Second Trump Administration's Department of State*," Press Statement by Marco Rubio, Secretary of State, January 2025. <a href="https://www.state.gov/priorities-and-mission-of-the-second-trump-administrations-department-of-state/">https://www.state.gov/priorities-and-mission-of-the-second-trump-administrations-department-of-state/</a>.

U.S. Department of the Treasury, Office of Inspector General. "Bill and Coin Manufacturing: The Mint Needs to Enhance Controls over Gold Acquisitions," Audit Report OIG-24-027, May 2024, https://oig.treasury.gov/system/files/2024-05/OIG-24-027%20U.S.%20 Mint%27s%20Gold%20Acquisition%20Audit%20Report%20508%20Compliant-Password%20Protected.pdf.

<sup>103</sup> Ibid.

- the country-of-origin for all gold it acquires. <sup>104</sup> As a major purchaser of gold, the U.S. Mint should ensure that the sources it uses meet the highest standards for safety and integrity.
- 14. Participate in scientific exchange regarding gold traceability. The Brazilian government is involved in advanced scientific research on traceability, including creating a library of gold samples from across the country, catalogued in terms of the molecular composition of the gold, the atomic structure, and the morphological features of each sample. <sup>105</sup> U.S. government agencies such as the Department of Justice, Department of Homeland Security, and the U.S. Geological Survey should engage in scientific and legal exchange with Brazil about this resource in order to assess its potential usefulness to U.S. law enforcement investigations.
- 15. Continue efforts as part of the Treasury's Amazon Region Initiative Against Illicit Finance to Combat Nature Crimes. As mentioned, the Amazon Region Initiative convened officials from the U.S. as well as countries in the Amazon region to combat illicit finance associated with nature crimes, including illegal gold mining. The U.S. Treasury should move forward with this valuable initiative, committing to an in-person strategy meeting with international counterparts during the course of 2025.
- 16. Provide additional guidance to financial institutions and the private sector on illicit finance risks. As a follow-up to its 2021 advisory on environmental crimes, <sup>107</sup> FinCEN should issue an advisory on illegal gold mining and trafficking and the risks that it poses to U.S. institutions. Through an advisory, FinCEN can raise awareness of this issue and also help to ensure that suspicious activity reports (SARs) reflect an informed understanding of the risks.
- 17. Implement data tools to track this issue, providing policymakers and researchers with information they can use to evaluate policies. Government agencies such as HSI and CBP should track and report the amount of illicit gold seized and make this information publicly available via annual reports or data dashboards. Without this data, it becomes more difficult for policymakers to assess the real scope of this problem and evaluate the threats posed to the United States.
- **18. Implement a public-private information exchange.** As permitted by the PATRIOT Act, the U.S. Treasury should facilitate information sharing between financial institutions and govern-

Ernes Hoffman, Kitco News. "United States Mint sourced non-American gold for decades, misled customers and auditors – Treasury investigation," August 13, 2014, <a href="https://www.kitco.com/news/article/2024-08-13/united-states-mint-sourced-non-american-gold-decades-misled-customers-and">https://www.kitco.com/news/article/2024-08-13/united-states-mint-sourced-non-american-gold-decades-misled-customers-and</a>. ; U.S. Department of the Treasury, Office of Inspector General. "Bill and Coin Manufacturing: The Mint Needs to Enhance Controls over Gold Acquisitions," Audit Report OIG-24-027, May 2024, <a href="https://oig.treasury.gov/system/files/2024-05/OIG-24-027%20U.S.%20Mint%27s%20Gold%20Acquisition%20Audit%20Report%20508%20Compliant-Password%20Protected.pdf">https://oig.treasury.gov/system/files/2024-05/OIG-24-027%20U.S.%20Mint%27s%20Gold%20Acquisition%20Audit%20Report%20508%20Compliant-Password%20Protected.pdf</a>.

Ignacio Amigo, Sam Cowie, and Avener Prado, Mongabay, "'Gold library' helps Brazil crack down on Amazon's illegal mining," April 6, 2023, <a href="https://news.mongabay.com/2023/04/gold-library-helps-brazil-crack-down-on-amazons-illegal-mining/">https://news.mongabay.com/2023/04/gold-library-helps-brazil-crack-down-on-amazons-illegal-mining/</a>.

Brenda Medina, International Consortium of Investigative Journalists, "New US Treasury plan targets criminal groups profiting from the destruction of the Amazon," August 5, 2024, <a href="https://www.icij.org/investigations/deforestation-inc/new-us-treasury-plan-targets-criminal-groups-profiting-from-the-destruction-of-the-amazon/">https://www.icij.org/investigations/deforestation-inc/new-us-treasury-plan-targets-criminal-groups-profiting-from-the-destruction-of-the-amazon/</a>.

<sup>107</sup> U.S. Department of the Treasury, Financial Crimes Enforcement Network (FinCEN), "FinCEN Calls Attention to Environmental Crimes and Related Financial Activity," FIN-2021-NTC4, November 2021, https://www.fincen.gov/sites/default/files/2021-11/FinCEN%20 Environmental%20Crimes%20Notice%20508%20FINAL.pdf.

ment agencies on money laundering networks linked to environmental crime and illicit gold flows. <sup>108</sup> This exchange would enhance the identification of suspicious activity, improve targeting networks, and provide actionable leads to disrupt illicit finance. <sup>109</sup>

19. Establish a Dedicated Interagency Task Force on Illegal Gold. The U.S. administration should create a formal interagency task force focused on illegal gold mining, trafficking, and associated illicit finance. This would ensure a coordinated and cohesive response. The task force could be modeled on the informal working group launched by the first Trump Administration in 2020, which laid important groundwork for U.S. engagement in addressing illicit gold, organized crime, and human rights abuses.

<sup>108</sup> U.S. Department of the Treasury, Financial Crimes Enforcement Network (FinCEN), "FinCEN's 314(a) Fact Sheet," February 2019, https://www.fincen.gov/sites/default/files/shared/314(a)%20FACTS%20AND%20FIGURES.pdf.

<sup>109</sup> For more about this recommendation, see Sasha Lezhnev, "The Deadly Global Gold Rush," Foreign Affairs, May 19, 2025, <a href="https://www.foreignaffairs.com/united-states/deadly-global-gold-rush">https://www.foreignaffairs.com/united-states/deadly-global-gold-rush</a>.

